

California Victim Compensation and Government Claims Board

Executive Officer's Report to the Board

June 25, 2004

Board Updates

Board Receives Largest Federal Grant in Program History

The Board has received a \$64.8 million federal grant to assist victims of violent crime. The grant – the largest ever in the 39-year history of the Victim Compensation Program – is an annual award made possible by the 1984 Victim of Crime Act (VOCA) and is administered by the U.S. Department of Justice, Office for Victims of Crime (OVC).

These federal dollars collected from federal offenders make up a portion of the state's restitution fund along with revenue from fines and fees paid by California criminal offenders. The annual grant size is based upon a percentage of the amount of state money paid to victims in prior years. This year's grant is based on the record \$125.9 million awarded by the Victim Compensation Program to California victims of crime and their service providers in Fiscal Year (FY) 2001/02.

Governor Arnold Schwarzenegger's Office issued a press release on May 26 announcing receipt of the grant. The story was picked up by the Associated Press and received statewide radio coverage.

(Please see the attached press release.)

September 11th Support Group Meeting

Board Member Mike Ramos met with approximately 50 family members of September 11th victims and survivors and presented a special message from Governor Arnold Schwarzenegger. The group gathered together for a quarterly support group meeting in Los Angeles on Saturday, June 12.

Executive Officer Karen McGagin delivered opening remarks and spent the day talking with members of the group and discussing their ongoing needs. Therapists from the University of California, San Francisco, Trauma Recovery Center facilitated the support group. One of the day's activities included the sharing of a remembrance book, a compilation of written reflections, photographs, and letters about those who died in the attacks and those who survived.

Dr. Clarissa Pinkola Estes, a post-trauma therapist for 35 years and author of "Women Who Run With The Wolves" was the guest speaker at lunch. She spoke on the topic of transforming and integrating trauma into our daily lives.

The September 11th support group meetings are funded by a grant from the federal Office for Victims of Crime. The grant is due to expire on June 30. The Board has requested a no-cost grant extension to continue quarterly support group meetings and mental health benefits for eligible victims.

New Project Managers for Claims Management Information System (CMiS)

The Board's effort to bring on line a new computerized claims management system has a new project management team. The Board has selected Mark Huston as Project Manager for the Board. Guy Hollands is the new Project Manager from EmergingSoft, the software vendor.

Mr. Huston is a professional project manager with 26 years of experience in the field. He has a doctorate in business administration and extensive experience as a project manager. Most recently he guided Blue Cross Blue Shield through the implementation of the new federal HIPPA regulations that required significant changes to their business process. Mr. Huston fills the Project Manager void created when Deputy Executive Officer for Administration, Carol Fieldhouse left the Board.

Mr. Hollands is a business management and data integration consultant who has worked with companies such as Cisco, Apple, IBM, and Iomega.

The new computer system is expected to be online by early 2005 and will assist staff in processing claims in a more efficient manner.

Board Presents Training on Restitution and Program Policies

During the month of June, Board staff trained more than 200 victim compensation specialists, Joint Powers county verification staff, probation officers, victim witness staff, and restitution specialists.

The restitution section conducted training to probation officers and victim witness staff in Kern, Los Angeles, and San Luis Obispo counties. Staff visited San Mateo and Santa Clara counties to discuss amending restitution orders with CRC representatives.

Victim Compensation Program staff trained claim verifiers on application intake, eligibility and funeral burial policies and provided specialized training for support staff in Los Angeles, Orange and neighboring counties. They also presented training on statutes and regulations, criminal disposition tracking, and documenting information in the claim file. Staff also trained new victim compensation specialists during a two-week course in Sacramento and will be conducting additional training in Sacramento, Santa Clara and Shasta counties in coming weeks.

Victim Compensation

Board Staff Briefs Victim Witness Coordinating Council

The Victim Witness Coordinating Council (VWCC), composed of victim witness coordinators from all 58 counties, works closely with the Program in serving victims. VWCC's Board of Directors meets monthly and the members attend quarterly regional meetings. Board staff are routinely invited to attend and provide updates on Program issues.

On June 2, Board staff met with the VWCC Board of Directors. Items discussed included Joint Powers (JP) budgets; the Board's financial condition, including the need to reduce administrative costs; the Board's study of medical and dental rates; the handling of Contra Costa County's workload; audit findings; and quality assurance efforts. Staff made a similar presentation at the VWCC Southern Region Network meeting in Santa Ana on May 13.

Revenue Recovery

Judicial Council's Working Group Makes Progress on Enhanced Collections

Board staff participated on the Judicial Council's Collaborative Court-County Working Group on Enhanced Collections on May 27 in San Francisco. Created by Senate Bill (SB) 940, the Working Group is developing comprehensive guidelines and plans for the enhanced collection of court-ordered fees, fines, forfeitures, penalties, and assessments.

Staff contributed two items into the Findings and Recommendations portion of the report. These recommendations were from the 2004 State Controller's audit of restitution collection relating to the 10 percent restitution rebate program and the restitution administrative fee. The final report will be delivered to the Legislature in February 2005.

Partnership with Franchise Tax Board (FTB)

The Court-Ordered Debt Collection Program to collect restitution fine debt from post-parolees is in its sixth month. As of June 2, the FTB has collected \$905,460.09 in outstanding restitution fine debt from post-parolees and remitted \$773,367.91 to the Restitution Fund while retaining \$132,092.18 in administrative fees. FTB collects a 15 percent administrative fee to cover the cost of collections.

Liens and Overpayments Section

During May 2004, the Liens and Overpayments Section (LORS) collected \$188,880.32 from civil suits, auto insurance, and workers' compensation, and \$7,064.39 in overpayments on behalf of the VCP.

Restitution Hearings

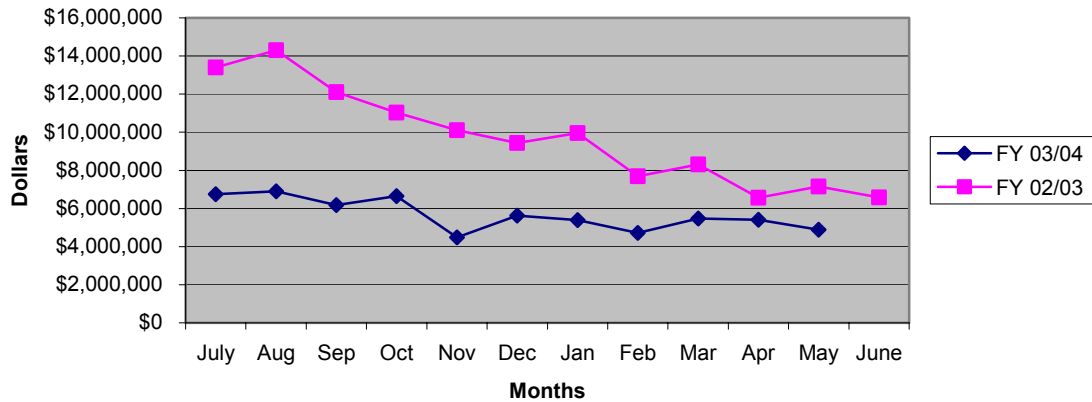
On May 14, Board staff appeared at a restitution hearing in San Diego on behalf of the Board. Restitution was ordered to the Board in the amount of \$4,140.

Victim Compensation Program Activity

VCP PAYMENTS

Fiscal Year Comparison	Month of May	Fiscal Year to Date	% Change from Prior FY
FY 03/04	\$4,886,283	\$62,450,616	-43%
FY 02/03	\$7,160,506	\$110,062,320	

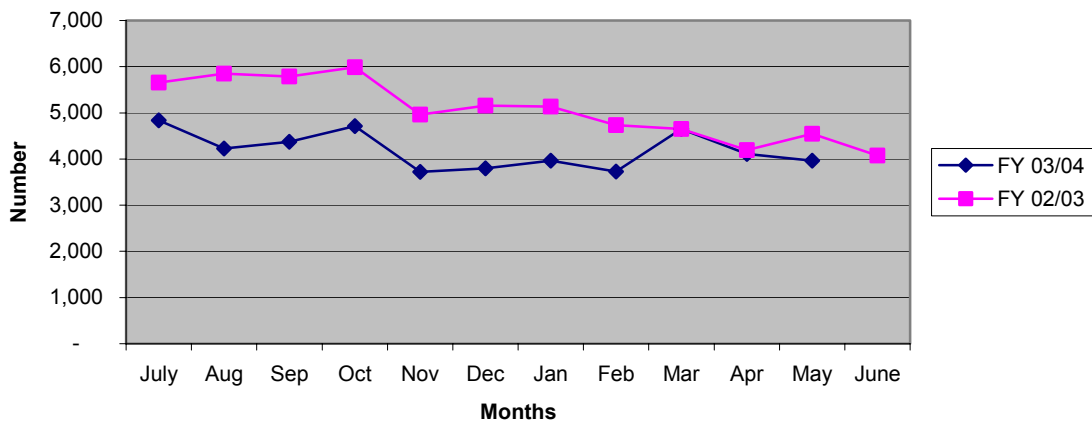
Payment Awards



VCP NUMBER OF APPLICATIONS RECEIVED

Fiscal Year Comparison	Month of May	Fiscal Year to Date	% Change from Prior FY
FY 03/04	3,965	46,087	-19%
FY 02/03	4,550	56,653	

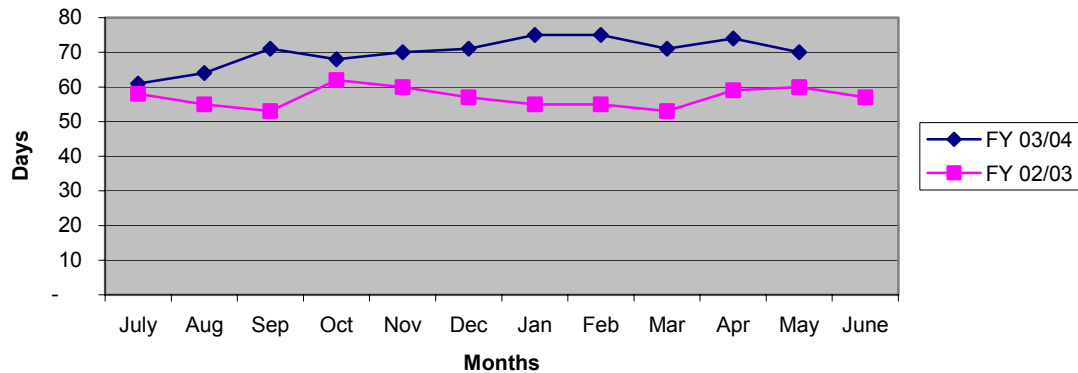
Number of VCP Applications Received



VCP APPLICATION PROCESSING TIME¹ IN DAYS

Fiscal Year Comparison	Month of May	Fiscal Year to Date	% Change from Prior
FY 03/04	70	70	23%
FY 02/03	60	57	

VCP Application Processing Time

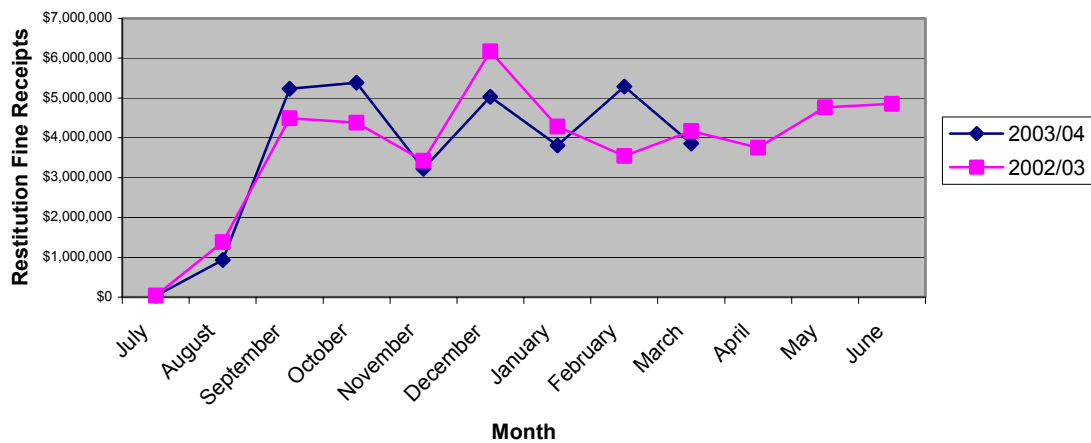


Revenue and Recovery

RESTITUTION FINES

Fiscal Year Comparison	Month of March	Fiscal Year to Date	% Change from Prior FY
FY 03/04	\$3,856,114	\$32,780,589	3%
FY 02/03	\$4,174,344	\$31,903,332	-

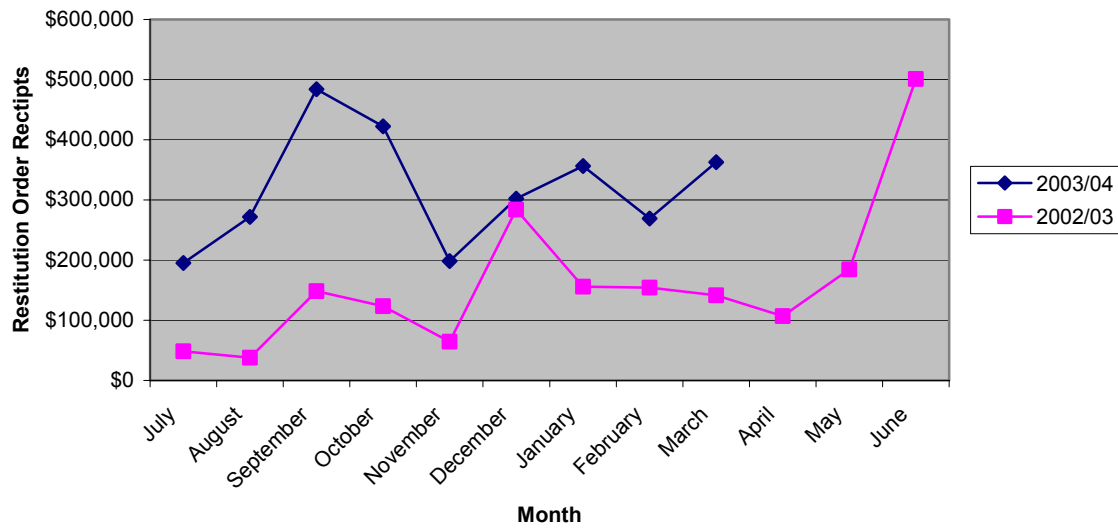
Restitution Fine Receipts By Month



RESTITUTION ORDERS

Fiscal Year Comparison	Month of March	Fiscal Year to Date	% Change from Prior FY
FY 03/04	\$362,689	\$2,861,666	147%
FY 02/03	\$141,487	\$1,158,608	-

Restitution Order Receipts By Month

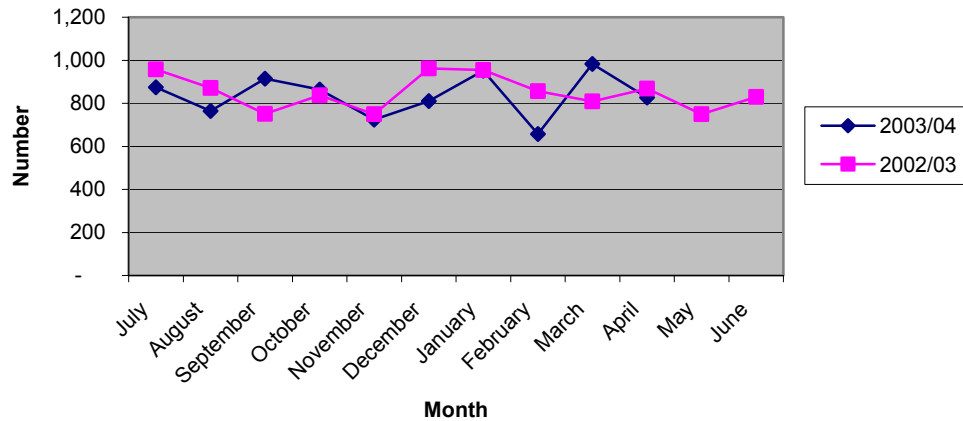


Government Claims

GOVERNMENT CLAIMS RECEIVED

Fiscal Year Comparison	Month of April	Fiscal Year to Date	% Change from Prior FY
FY 03/04	827	8,370	-3%
FY 02/03	869	8,617	-

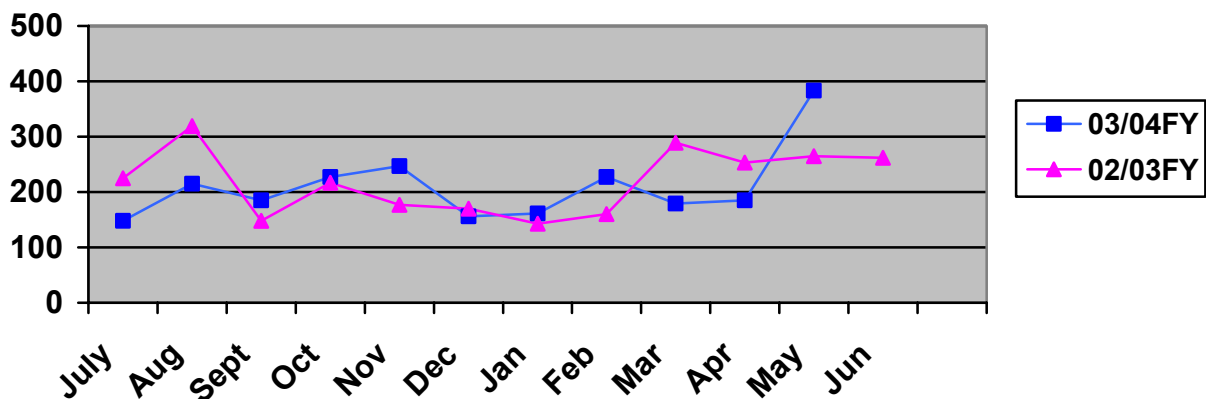
Government Claims Received



CONTRACT CLAIMS² – AVERAGE PROCESSING TIME

Fiscal Year Comparison	Month of May	Fiscal Year to Date	% Change from Prior FY
FY 03/04	383	200	0%
FY 02/03	265	1959	

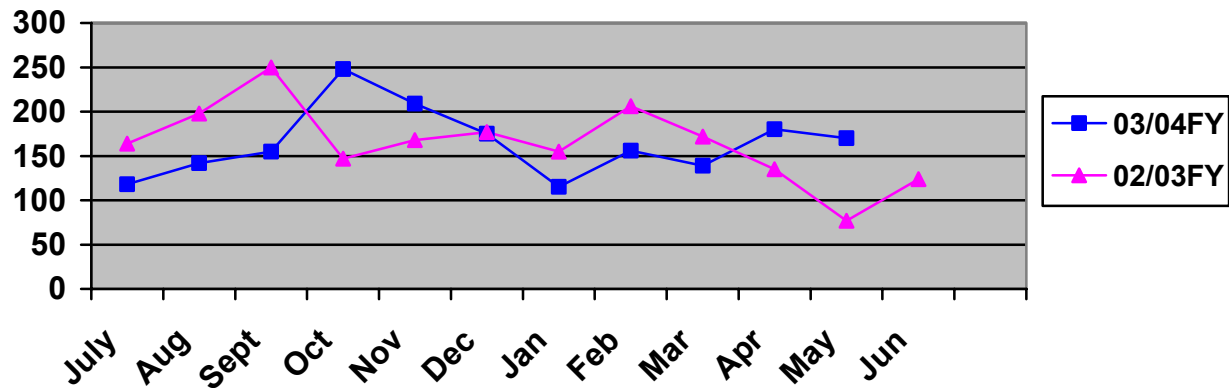
Contract Claims- Average Processing Time



EQUITY CLAIMS³ – AVERAGE PROCESSING TIME

Fiscal Year Comparison	Month of May	Fiscal Year to Date	% Change from Prior FY
FY 03/04	170	169	-0%
FY 02/03	77	169	

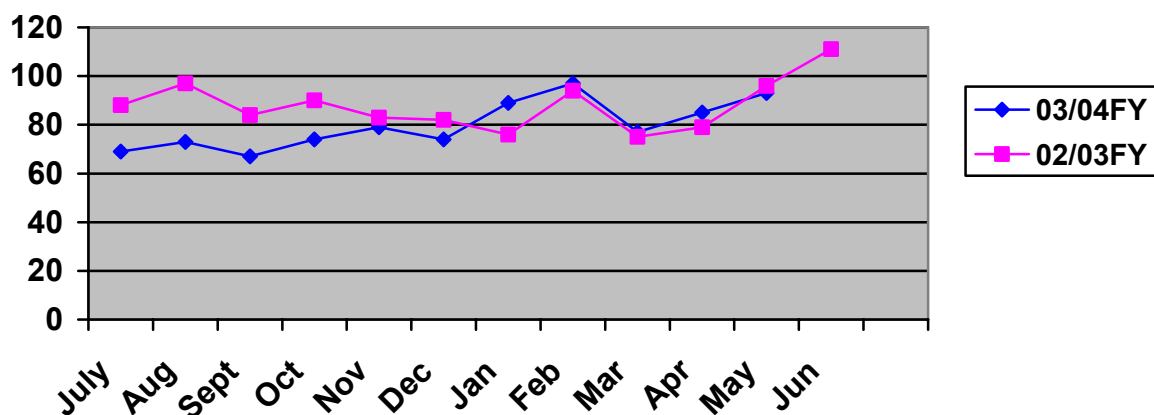
Equity Claims - Average Processing Time



TORT CLAIMS⁴ – AVERAGE PROCESSING TIME

Fiscal Year Comparison	Month of May	Fiscal Year to Date	% Change from Prior FY
FY 03/04	93	73	-15%
FY 02/03	96	87	

Tort Claims - Average Processing Time



Upcoming Events

(The conferences and events listed below are for informational purposes only.)

May 19 Domestic Violence Grown Old Conference

Sponsored by the Orange County Family Violence Council, this conference featuring experts in the field of Domestic Violence and the elderly will be held May 19 at the Braden Court Auditorium in Orange. For more information, call (714) 825-3028.

May 24-27 The California Peace Officers' Association Annual Training Conference

The 2004 Annual Training Conference for the California Peace Officers' Association will be held May 24-27 at the Embassy Suites in South Lake Tahoe. For more information, call (916) 263-0541.

May 25 National Missing Children's Day

May 25 is National Missing Children's Day. May 25 was selected by The National Center for Missing & Exploited Children since this is the day 6-year-old Etan Patz disappeared from a New York City street corner on his way to school in 1979. His case remains unsolved and is an annual reminder to make child protection a national priority. For more information, call (800) THE-LOST.

May 25-28 Third National Sexual Violence Prevention Conference

Sponsored by the California Coalition Against Sexual Assault, the "Building Leadership and Commitment to End Sexual Violence" conference will be held May 25-28 at the Westin Bonaventure Hotel in Los Angeles. For more information, call (916) 446-2520.

June 2-12 Domestic Violence 2000 Workshop

Sponsored by the Relationship Training Institute, this workshop providing a complete overview of the field of domestic violence, with specific training in group treatment and intervention, will be held June 2-12 at the National University Spectrum Center in San Diego. For more information, call (619) 296-8103 x10.

June 28-July 2 California District Attorneys' Association Summer Conference

The 2004 Summer Conference will be held June 28-July 2 at the Silverado Resort in Napa. For more information, call (916) 443-2017.

June 30-July 2 Fifth Annual Conference on Indian Families

Sponsored by the National Indian Justice Center, the "For All My Relations" conference will be held June 30-July 2 at the Marriott Hotel & Marina in San Diego. For more information, call (707) 579-5507.

July 19-20 Annual Delegates' Meeting

Sponsored by the Inter-Tribal Council of California, Inc., the "California Tribal Alliance Against Violence: Healing, Prevention, and Intervention" conference focusing on domestic violence will be held July 19-20 at the Pechanga Resort and Casino in Temecula, California. For more information, call (916) 973-9581.

¹ **VCP Application Processing Time** - We have changed the method for calculating the time it takes to process a claim to more closely follow the statute. For 18 months we used the federal Office for Victims of Crime's (OVC) definition of processing time. Their definition was, "The processing period begins when the compensation program first receives an application and ends when a check is mailed to or on behalf of an eligible victim. Count all calendar days during the processing period, including days in which the program is awaiting information, as well as the days from the time your program requests a check to be sent until the time the check is actually sent."

The OVC no longer uses that definition as part of their Victim Compensation Performance Report. The definition has inherent inaccuracies and does not address the entire program workload, as it does not include denied claims.

Therefore, we are using the method defined in Government Code 13958, which requires us to approve or deny completed applications within an average of 90 days of acceptance. Government Code 13952 requires our staff to determine whether an application contains all of the required information to make a decision, as defined in section 649.9 of the California Code of Regulations. If an application is incomplete, staff contacts the victim to seek the missing information. The counting of processing time begins when we accept an application as complete and ends on the consent hearing date (the date the staff recommendation to award or deny a claim becomes the initial decision of the agency).

The EO Report shows the re-calculated average processing time for each month from July 2002 through February 2004.

² **Contract claims** - These are typically claims where a vendor has provided services to the state, but a purchase order or contract was not officially in place at the time the services were performed and, therefore, the affected agency does not have the authority to pay the invoice without the Board's approval.

³ **Equity Claims** - These are claims where there is no legal liability on the part of the state to pay, but for which the claimant has asked the Board to exercise its equity power to provide payment in fairness for the action or inaction of a state agency. Also included, to a large degree, are outdated warrants (state-issued checks that went uncashed for more than three years).

⁴ **Tort Claims** - These are claims for damages filed against specific state agencies. These claims are generally rejected, but are a required administrative action to be taken by a claimant prior to bringing civil action against the state in a court of law. The filing of the tort claim gives the state advance notice of potential future litigation.